

**STATE OF RHODE ISLAND AND PUBLIC PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: CITY OF NEWPORT UTILITIES DEPARTMENT,  
WATER DIVISION**

**DOCKET NO. 3457**

**NOTICE OF PROPOSED CHANGES IN RATES**

In accordance with Section 2.3(a) of the Rules of Practice and Procedure for the Public Utilities Commission and R.I.G.L. 39-3-11, the City of Newport, Utilities Department, Water Division (hereinafter Newport) hereby gives notice of its proposed changes in rates. Said changes are contained in the written testimony and Exhibits attached hereto and incorporated herein. The new rates are proposed to become effective December 1, 2002 and are designed to generate total revenue in the amount of \$4,469,796. Additionally, Newport respectfully represents that:

1. The Utilities Department, Water Division is authorized by the City Charter of the City of Newport and has a principal place of business located at 70 Halsey Street, Newport, Rhode Island 02840.
2. Correspondence should be addressed to Julia Forgue, PE, Public Works Director, City of Newport, 70 Halsey Street, Newport, Rhode Island 02840, Joseph Nicholson, Esq., Acting City Manager, Newport City Hall, 43

Broadway, Newport, Rhode Island 02840, and to Francis X. Flaherty, Esq., 20 Centerville Road, Warwick, Rhode Island 02886.

3. In accordance with the appropriate rules and regulations pursuant to Rhode Island General Laws 39-3-11, the accompanying documents contain data, information and testimony in support of said request.
4. The documents required by Sections 1.5 and Part II of the Rules of Practice and Procedure for the Rhode Island Public Utilities Commission are not required in this case, which is merely the filing of flat retail commodity rates in accordance with the Commission's order in Docket #2985.

City of Newport, Utilities Department  
Water Division  
By Its Attorneys,

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Francis X. Flaherty  
Flaherty, Orton & Flaherty  
20 Centerville Road  
Warwick, RI 02886  
(401) 737-8700

#### CERTIFICATION

I, the undersigned, hereby certify that true copies of the within were provided to the following in the manner indicated this 1st day of August, 2002:

**Public Utilities Commission**  
89 Jefferson Boulevard  
Warwick, RI 02888

*via hand delivery*

**Department of Attorney General**

150 South Main Street  
Providence, RI 02903

*via regular mail*

**Portsmouth Water and Fire District**

2300 East Main Road  
Portsmouth, RI 02871

*via regular mail*

and P.O. Box 99  
Portsmouth, RI 02871

**Town Council of Portsmouth**

c/o Town Clerk  
Portsmouth Town Hall  
2200 East Main Road  
P.O. Box 155  
Portsmouth, RI 02871

*via regular mail*

**City Council of Newport**

c/o City Clerk  
Newport City Hall  
43 Broadway  
Newport, RI 02840

*via regular mail*

**Department of the Navy**

Director of Public Works  
Naval Station, Newport  
NETC  
#1 Simon Petri Drive, Code 40  
Newport, RI 02841

*via regular mail*

**Town of Middletown**

Town Clerk  
East Main Road  
Middletown, RI 02842

*via regular mail*

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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: City of Newport Utilities Department, Water Division  
Application to Change Rate Schedules**

**NOTICE OF FILING AND CHANGE IN RATE SCHEDULES**

Pursuant to Rhode Island General Laws 39-3-11 and Public Utilities Commission (“Commission”) Order No. 16235, the City of Newport Utilities Department, Water Division (“Newport Water”) hereby gives notice that it has filed an application to its change its retail rate schedules.

The proposed rates are based on a cost of service study methodology supported by the Newport Water Division and are designed to be cost-based. Newport Water proposes to change the current retail rates from a declining-block rate structure to a flat retail commodity rate, and to implement separate rates for residential, commercial, and governmental classes. The rate impact of the proposal will result in a decrease in retail rates ranging from 2% to 15%. The impact to a typical residential customer with consumption of 66,000 gallons per year is an annual decrease of \$42.24 or 11%. The minimum charge per bill of \$11.00 for all customers will remain in effect. There will be no rate impact on fire service and wholesale rate classes.

While the new rates are proposed to become effective December 1, 2002, the Commission can suspend the rates up to eight (8) months from the proposed effective date. The Commission could approve different rates that may be higher or lower than the proposed rates. No rate change will take effect until the Commission has conducted a full investigation and hearing on the proposal. The Commission will publish a notice of the hearing dates when they are scheduled. Ratepayers may comment on the proposed rate increase at that time.

A copy of the application is on file for examination at the Newport Utilities Department, Water Division, 70 Halsey Street, Newport, Rhode Island and at the Commission’s office, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to the Rhode Island Attorney General’s Department, Consumer Section. Subscribers will receive notice in their monthly billing and others in their regular billing.

Newport Utilities Department, Water Division  
70 Halsey Street  
Newport, Rhode Island